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SUBJECT: WHAT LISBON REMINDS US ABOUT PRESIDENT KLAUS

REF: A. PRAGUE 605

[1](#)B. PRAGUE DAILY NOV 3

[1](#)C. PRAGUE DAILY OCT 29

[1](#)D. PRAGUE DAILY OCT 7

Classified By: CDA Mary Thompson-Jones for reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY. With no more excuses or options for delay, euroskeptic Czech President Klaus signed the Lisbon Treaty on November 3, the same day as the Czech Constitutional Court ruling. His signature eliminated a major distraction within the EU, allowing the U.S. and EU to refocus on important initiatives. Klaus supporters say that Lisbon shows that the President sticks to his principles, though he has yielded them in the past for political benefit (e.g., a deal in 2003 with the Communists to support his presidency). Others say he is an obstructionist who maximizes his limited constitutional powers as ceremonial head of state to exert his considerable influence over public opinion. He is a strong trans-Atlantic ally and will continue to be one, but has made relations with Russia a top priority. While his motives may be unclear, the Lisbon Treaty ratification process illustrates that President Klaus marches to only one tune - his own. END SUMMARY.

Klaus the Politician

[1](#)2. (C) President Vaclav Klaus (age 68) is an economist by trade and came to prominence after the Velvet Revolution when he and a group of like-minded economists schooled in Western economic thought (Klaus studied at Cornell in the late 1960s) offered their services to the dissidents who were forming the new government. In December 1989, Klaus became the Minister of Finance. At a discussion at the London School of Economics on November 3 of this year, former President Vaclav Havel said that he should have trusted economists less and put more emphasis on morals after the fall of communism. While Havel did not mention names, Havel's negative sentiments about Klaus are well-known in the Czech Republic. Klaus, in turn, resents the attention still paid to ex-President Havel even though he no longer holds office.

[1](#)3. (C) Klaus also became Chairman of the Civic Forum party, which subsequently dissolved in 1991, at which time Klaus founded the right-of-center Civic Democrat Party (ODS). Klaus was Prime Minister from 1992 to 1997 and oversaw the Velvet Divorce with the Slovak Republic as well as significant reforms. In December 2008, Klaus quit ODS after his protege, Prague Mayor Pavel Bem, lost his bid to oust then-PM Mirek Topolanek as ODS party Chairman. Although Klaus cited ideological differences with ODS leadership, the bitter personal animosity between Klaus and Topolanek was a key factor.

Klaus the President

[1](#)4. (SBU) Klaus is currently in his second (and

constitutionally final) term as President; he was first elected in 2003 and reelected in 2008. In order to win sufficient votes in both chambers of Parliament to become President, Klaus cut a secret deal with the Communists in which he agreed to allow the Communists to attend certain events at Prague Castle. Havel, who was President from 1989 to 2003, banned the Communists from Prague Castle. The President is not elected through a direct election but by an absolute majority of both houses of Parliament - the Chamber of Deputies and the Senate. As President, Klaus's role is mostly ceremonial; Chapter 3 of the Czech Constitution says the President shall:

- appoint and recall the Prime Minister and other members of government and accept their resignations;
- convene sessions of the Chamber of Deputies;
- dissolve the Chamber of Deputies (Note: only if one of four conditions in Article 35 is met.);
- call elections to the Chamber of Deputies and the Senate (Note: President sets date for elections.);
- appoint Justices to the Supreme Court;
- approve ambassadorial nominations;
- negotiate and ratify international treaties, though he may delegate to the Government;
- be the Commander-in-Chief of the Armed Forces;
- have the right to grant amnesty.

15. (SBU) His approval ratings are usually high because of his uncanny knack for connecting with the average Czech and keeping public opinion on his side. He boasted a high-water mark of 78 percent approval in 2005. Havel had a 90 percent-plus approval rating in 1990. However, according to

PRAGUE 00000672 002 OF 003

Czech pollsters and sociologists, simply holding the office of President may well account for a 50 percent approval rating. Klaus recently has fallen behind PM Fischer and become the second most popular Czech politician, with an approval rating of 61 percent in October 2009. Fischer's approval rating in the same poll was 79 percent, beating Klaus's previous top mark. But long term, Klaus is considered the most popular politician in the Czech Republic.

16. (C) Some Czechs may be beginning to lose patience with their President. According to political analysts, Klaus's slight slip in popularity to 55 percent may be attributable in part to the toppling of Topolanek's government this past spring, an unpopular move. Insiders are sure he was pulling the strings that brought down the government, but the public only blamed him slightly, saving the majority of its ire for parliamentarians and other party leaders. Klaus has since rebounded to 61 percent popularity, unlike other politicians who really took the brunt of the blame for the demise of the government. Klaus has also created difficulties for the GoCR within the EU because he has been slow to sign several treaties - such as the accession to the International Criminal Court (ICC), which sat on his desk from fall 2008 until July 9, 2009. Klaus's foot-dragging did not help Czech credibility with EU partners as the Czechs were the last EU member state to accede to the ICC.

The Lisbon Treaty and Klaus

17. (SBU) While Klaus remains a relatively popular politician, he has many detractors. His supporters call him principled and say he defends the interests of the Czech nation well. His detractors call him narcissistic, contrarian and obstructionist. Klaus is a notorious euroskeptic who has not hesitated to publicly state his objections to the Lisbon Treaty. He made clear that he believed the Lisbon Treaty constituted a fundamental change for the Czech Republic and a step in the wrong direction. While a minority view, there are others who share the same opinion.

18. (C) Most recently, however, he cited the possibility that the Lisbon Treaty would allow Sudeten Germans to bypass Czech courts and raise property claims arising from the Benes decrees in the Court of Justice of the European Communities. (Note: The Benes Decrees are "sacred cows" of Czech politics that have been used before to raise a nationalistic scare, conjuring images of Sudeten Germans swarming back over the border. End Note.) Most lawyers and constitutional experts agreed that the Benes Decrees could not be overturned because the Charter of Fundamental Rights is not retroactive. Even so, Klaus insisted on an opt-out from the Charter, despite European Commission President Jose Manuel Barroso calling it an "artificial barrier," and received an agreement from EU political leaders. Ivo Slosarcik, of the Department of West European Studies at Charles University and expert on the Lisbon Treaty, told Emboff that the Constitutional Court complaint and Klaus's maneuvers were never legal issues but merely "political obstructions." Even though EU leaders were furious with him, his political obstructions cost him no support with the Czech public.

The Czech Constitution

19. (C) According to the Czech Constitution, the Czech Parliament lacks the power to compel the Czech President to sign a treaty or to override his decision not to. The only way the President could be removed from office is if he was prosecuted for high treason before the Constitutional Court on the basis of an indictment by the Senate. Klaus clearly understood his power under the Czech Constitution and took full advantage of it, stringing out his resistance as long as possible, as he did with the ICC treaty. The EU Protocol to the Social Charter, an amendment to the original Social Charter treaty that deals with the rights of employees, has sat on his desk for four years. This behavior underscores the President's powers under the Czech Constitution - he can be pressured to sign a treaty but he cannot be compelled.

To Russia with Love

110. (SBU) Klaus advocates strong ties with Russia. While the GoCR condemned Russia's military action in Georgia in August 2008, Klaus raised questioned about what he considered were the provocative actions of Georgia. Klaus also sided with Russia when he publicly disagreed with Kosovo's unilateral declaration of independence. Klaus met with

PRAGUE 00000672 003 OF 003

Russian President Medvedev in October 2009 to discuss economic issues and signed several trade contracts. The Russian media greeted Klaus warmly, especially after he noted that an over-regulated EU is more of a threat to the Czech Republic than Moscow. He went on to say that, "the political system and freedom in Russia is now the highest and the best in the history of Russia in the last two millennia." During this trip, Klaus also presented Medvedev with a Russian language version of his anti-global warming book, "Blue Planet in Green Shackles," which was translated into the Russian language at the expense of the Russian oil company LUKOIL. Klaus also welcomed Russian participation in bidding for a multi-billion dollar tender to build new Czech nuclear power plants -- a tender for which the U.S. firm Westinghouse is also competing.

111. (C) A Czech political scientist from Metropolitan University explained Klaus's love of Russia, stating, "Having attempted and failed to carve a pro-western niche for himself - a political role that was occupied by Vaclav Havel - it was only logical that he should turn towards Russia." Even former President Havel himself commented that Klaus's thinking stems from his maturation under the post-Prague

Spring "normalization" period, a time in which the autocratic Czech regime depended on Moscow.

And Also the U.S.

¶12. (C) Even though Klaus was an outspoken critic of military action in Iraq, Klaus is a strong trans-Atlanticist, priding himself on good relations with the U.S. and visiting frequently. In recent years, however, he has been frustrated by his inability to gain access to the White House. Despite heavy lobbying, the Bush Administration refused to see him for several years because of his lack of support on Iraq, finally acceding to a short visit in 2005. He fared better with Vice President Biden, who agreed to meet Klaus on November 6 during Klaus's trip to the U.S. Missile defense showed Klaus's political acumen: he offered only cagey support, deftly sidestepping an issue that was unpopular with most Czechs and divisive in the government. He is usually invited to speak when he goes to the U.S. and finds the Cato Institute a willing host. He participated in a roundtable discussion at the Ronald Reagan Library during his November trip to the U.S.

¶13. (SBU) President Klaus will almost unfailingly meet with American legislators and elected officials, both national and state-level. Once he even took an hour to give a personal tour of the Castle to an American old-timer's hockey team and their spouses. An aficionado of jazz, Klaus opened up the Castle to his "Jazz in the Castle" evenings, which frequently showcase American musicians.

Comment: Euroskeptic and Trans-Atlanticist

¶14. (C) Klaus's final term as President expires in January 2013; until then, he will use his bully pulpit and popularity to sway Czech public opinion. His acts may be small - like when he refused to fly the EU flag over Prague Castle during the Czech's EU Presidency - or large, like holding out on the Lisbon Treaty. A savvy political analyst said that the rancor Klaus caused over the Lisbon Treaty and the ire it brought upon him probably added years to Klaus's life. Indeed, he does live for the attention and truly enjoys being a euroskeptic. It did not take EU leaders long to figure out that pressuring Klaus was a counterproductive strategy. While he may not always sidle up to U.S. policy and move for greater engagement with Russia, we can be relatively sure that he will continue to be a strong trans-Atlantic ally who extends invitations to Prague Castle. End Comment.
Thompson-Jones